



military veterans

Department:
Military Veterans
REPUBLIC OF SOUTH AFRICA

Department of Military Veterans

ADDENDUM TO THE ANNUAL PERFORMANCE PLAN FOR 2020/2021FY

Vote 26

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Purpose

Synopsis analysis of Strategic Plan 2020-2025 and Annual Performance Plan 2020/21

The mandate of the Department remains the same over five-year period even under Covid-19 pandemic. The Department Strategic Plan 2020-2025 was not revised, except that some 2020/21 APP targets were either reduced or deferred due to revised budget allocations. Some of the Department APP targets remain the same, however there were minor revisions in selected programmes and their sub-targets.

The purpose of this addendum is to provide guidance on the revision and re-tabling of Department of Military Veterans' (DMV) 2020/21 Annual Performance Plan (APP) to incorporate Covid-19 pandemic interventions and to align to the Special Budget Adjustment.

The purpose of revision or re-tabling of these plans is to incorporate the interventions and adjusted 2020/21 budget allocation in response to the Covid-19 pandemic and to prioritise government programmes and projects for continued service delivery.

The Revisions of the Strategic Plan, as described in Section 3.3.4 of the Revised Framework, will lead to the revision of the outcomes and related outputs in the Annual Performance Plans, which in this case did not affect the DMV Outcomes Strategic Plan 2020-2025.

1. Updated Situation Analysis (Page 18)

1.1 Internal environment (Page 18)

1.1.1 Corporate Governance and Accountability

1.1.2 Covid-19 Pandemic impact and intervention

The South African Government is currently seized with fighting the Covid-19 pandemic through various initiatives including a compulsory lockdown. The impact of the pandemic is enormous on all aspects of life and especially severe on the more marginalised sections of our population, and in particular the majority of our military veterans. His Excellency, President Cyril Ramaphosa warned that the Coronavirus will be extremely disruptive and will cause damage to the economy, Weekly open letter to South Africa, 16 March 2020.

The Covid-19 pandemic is causing a global problems which hamper the government's efforts all around the globe, in providing services to its intended recipient, the DMV is one of those government department which is being affected hard by the Covid-19 pandemic.

The 2020/21 financial year (FY) economy is causing problems in business and government leading to budget cuts to combat the Covid-19 pandemic. The DMV remains committed in safeguarding the health and wellbeing of its employees. A Risk and Resilience Task Team was established to ensure that the pandemic Management Plan was developed at the commencement of the Departmental initiative. Procurement for Personal Protective Equipment for employees will be continuously undertaken and made available in the offices, also fever screening and decontamination of offices.

A phased-in approach in allowing employees back to work has been adopted, this approach ensures that a limited number of employees to or be allowed back in the office in order to ensure that service that are being rendered by the department continue during this global pandemic crisis.

National Treasury issued publication on the Government Gazette, that National departments cut their budgets so that funds can be reprioritised towards coronavirus interventions. It has been estimated that R130 billion be reprioritised from 2020/21 budget from all Government Departments to free up funds to support government's efforts to respond to Covid-19 pandemic, National Treasury 2020. Finance Minister Tito Mboweni tabled an adjustment budget to fund the government's response to the Covid-19 pandemic as it affected most departments and had an effect on the Annual Performance Plan (APP) 2020/21 and Strategic Plan (SP) 2020-2025.

The impact of the national state of disaster and the nation-wide lock down has necessitated the need to review the DMV SP 2020-2025 and APP 2020/21 to ensure that plans respond to the Covid-19 pandemic and continues rendering or providing service delivery in the 2020/21FY. The Revised Framework for Strategic Plans and Annual Performance Plans (2019), is applicable to the DMV as a National department.

The current national response to Covid-19 pandemic has contributed significantly to the changes in the operating environment of Government and these changes also affect the service delivery environment. DMV SP 2020-2025 is being revised as the changes due to Covid-19 pandemic. Revisions of the Strategic Plans, as described in Section 3.3.4 of the Revised Framework, will lead to the revision of the outcomes and related outputs in the Annual Performance Plans. The DMV is revising and/or re-tabling the APP 2020/21 to incorporate Covid-19 pandemic interventions.

The purpose of revision or re-tabling of these plans is to incorporate the interventions and adjusted 2020/21 budget allocation in response to the Covid-19 pandemic and to prioritise government programmes and projects for continued service delivery. This will support transparency and accountability of implementation of the adjusted 2020/21 budget, which includes various relief packages released to support the economy.

During such crises, it is understandable that government will prioritise those departments that are dealing directly with combating the pandemic. As the National Fiscus is called upon to avail funding for these departments and initiatives to specifically fight the pandemic, it is possible that the annual budgetary allocations to especially national departments will have to be revised.

The DMV prepared lesser funding than allocated in the 2020/21FY Estimates of National Expenditure (ENE) where Programmes/Sub-Programmes made cuts on planned targets for the 2020/21FY. The DMV developed and finalised reprioritisation in continuing supporting the Military Veterans community. The DMV received a budgetary allocation of R682.1 million for the 2020/21FY, of which 58.77 % (R401 m) of the budget is allocated to Programme 2, while Programme 3 is allocated the second largest portion of the budget with 20.95% (R143 m) and 20.28% (R138 m) to Programme 1. The Summary of adjustments by Vote, indicates that the DMV's budget has been reduced by R137 m to R546 m. The DMV has seen the reprioritization due to reduction of allocated funds to cater for Covid-19 pandemic purposes to the amount of R137 m.

Given that the education benefit is one of the primary benefits, the Department is continuously working on the revision of the Education policy. With difficulties that the military veterans experience to access the Department, the DMV will ensure the optimal functionality of provincial offices be prioritised. This will ensure that military veterans have equal access to the office, for their general queries, as it is one of the principles that has been enshrined in the Batho Pele.

1.2 External Environment (Page 21)

The external environment that is characterized by changes within the Political, Economic, Social, Technology and Legal spheres presents opportunities for the refocusing of the Department.

The impact of the Covid-19 pandemic is enormous on all aspects of life and severe on the marginalised sections of population, particular the Military Veterans which includes the elderly population, people at risk due to underlying medical conditions, and due to a compromised immune system from medical condition or treatment. The DMV Database and health benefits will be helpful as to see these vulnerable groups, Report of the Portfolio Committee on Defence and Military Veterans on Budget Vote 26 DMV, 27 May 2020. The Department continuously ensures that military veterans have access to military hospitals and sickbays. The DMV will keep track of the numbers of confirmed cases of the virus in the Military Veterans Community and provision to be made for Military Veterans.

As DMV the Covid-19 pandemic impacted the dispensing of benefits by the department as follows:

- Inability to pay all the medical claims – Healthcare Support
- Inability to fund and support continuous learning – Education Support
- Inability to meet the targeted number of houses – Budget reduction led to the target revised from 710 down to 355 - Housing Support
- Inability to offer Social benefits (Transport and Pension)
- Inability to implement the targeted Heritage Sites

The World Bank (2020), estimates that 40 million to 60 million people will fall in to extreme poverty in 2020, compared to 2019, as a result of Covid-19 pandemic depending on assumption on the magnitude of the economic shock. The DMV acknowledges that poverty, unemployment and inequality remains high nationally and is more pronounced within the community of Military Veterans. All these social factors will result in an increased demand for delivery of benefits and services to Military Veterans. The Government has established the DMV to take care of the needs of Military Veterans, “The Military Veterans Benefits Regulations, gazetted on February 19, 2014, allow Military Veterans access to critical support including housing, health care, education, pensions as well as burial support”.

The crisis represents a significant hit to the livelihoods of some of the world’s most vulnerable households, and will push per capita incomes back to where they were several years ago (Transcript of the Press Conference on the Regional Economic Outlook Update for the Sub-Saharan Africa, June 29, 2020). The DMV linked up with the Department of Social Development (DSD) and South African Social Security Agency (SASSA) to track, support or alleviate hunger amongst Military Veterans through provisioning of food parcels and unemployment income grant.

The Department will continue the engagement with the social cluster with the consideration of all other economic and social opportunities available to Military Veterans.

The South African Government is currently seized with fighting the Covid-19 pandemic through various initiatives including a compulsory lockdown. The impact of the pandemic is enormous on all aspects of life and especially severe on the more marginalised sections of our population, and in particular the majority of our Military Veterans.

During such crises, it is understandable that government will prioritise those departments that are dealing directly with combating the pandemic. As the national fiscus is called upon to avail funding for these departments and initiatives to specifically fight the pandemic, it is possible that the annual budgetary allocations to especially national departments will have to be revised.

In such a case the possibility exists that the DMV might be requested to prepare for lesser funding than allocated in the 2020/21 ENE under Vote 26.

The impact of the national state of disaster and the nation-wide lock down has necessitated the need to review the DMV SP 2020-2025 and APP 2020/21 to ensure that plans respond to the COVID-19 pandemic and continued service delivery in the 2020/21 financial year. The National Treasury Regulations read together with The Revised Framework for Strategic Plans and Annual Performance Plans (2019), remain applicable to the DMV as a national department.

A Strategic Plan may be revised during the five-year period if there are significant changes to policy, changes in the service delivery environment or in the planning methodology. The current national response to Covid-19 pandemic has contributed significantly to the changes in the operating environment of government and these changes also affect the service delivery environment.

Revisions of the Strategic Plans, as described in Section 3.3.4 of the Revised Framework, will lead to the revision of the outcomes and related outputs in the Annual Performance Plans. The DMV will be expected to revise and/or re-table their APP 2020/21 to incorporate Covid-19 pandemic interventions. The purpose of revision or re-tabling of these plans is to incorporate the interventions and adjusted 2020/21 budget allocation in response to the Covid-19 pandemic and to prioritise government programmes and projects for continued service delivery. This will support transparency and accountability of implementation of the adjusted 2020/21 budget, which includes various relief packages released to support the economy.

2. Supplementary Budget Review 2020

VOTE 26: MILITARY VETERANS

2.1 Purpose of the Vote

The purpose of the vote is to formulate policies and standards aimed at providing a comprehensive delivery system to military veterans and their dependants in recognition of their role in the democratisation of South Africa.

2.2 2020 Special Adjustments Budget

Table A below depicts an effective budget reduction of R137 million (25%) on the total budget allocation for the 2020/21 financial year. This reduction was distributed across all three (3) branches where reduction of R15 million, R90 million and R42 million was effected on Administration, Socio-Economic Support and Empowerment and Stakeholder Management, respectively. On both Administration and Empowerment and Stakeholder Management, the reduction affected Goods and Services meanwhile, Socio-Economic Support Reduction of R90 million was effected on Transfers and Subsidies, with direct impact on allocation for service delivery for Education support (R60 million), Social Benefits (R20 million) and Housing (R10 million).

Table A: Revised programme allocations

R thousand	2020/21 Main budget	Downward revisions			Reallocations			2020/21 Total net change proposed	2020/21 Total allocation proposed
		Suspension of funds (COVID-19 purposes)	Virements from (COVID-19 purposes)	Virements from (other)	Allocated to (COVID-19 purposes)	Virements to (COVID-19 purposes)	Virements to (other)		
Programmes									
Administration	138 527	-15 000	-6 000	-	-	6 000	-	-15 000	123 527
Socioeconomic Support	401 404	-90 000	-207 008	-	-	207 008	-	-90 000	311 404
Empowerment and Stakeholder Management	143 142	-32 000	-14 409	-186	-	14 409	-186	-32 000	111 142
Total	683 073	-137 000	-227 417	-186	-	227 417	-186	-137 000	546 073
Economic classification									
Current payments	- 405 467	- 47 000	- 19 296	-	-	18 744	-	47 552	357 915
Compensation of employees	140 567	-	-	-	-	-	-	-	140 567
Goods and services	264 900	-47 000	-19 296	-	-	18 744	-	-47 552	217 348
Transfers and subsidies	260 880	-90 000	-202 529	-	-	202 529	-	-90 000	170 880
Households	260 880	-90 000	-202 529	-	-	202 529	-	-90 000	170 880
Payments for capital assets	16 726	-	-5 592	-186	-	6 144	186	552	17 278
Machinery and equipment	8 941	-	-778	-	-	3 883	186	3 291	12 232
Heritage assets	5 000	-	-4 814	-186	-	-	-	-5 000	-
Software and other intangible asset	2 785	-	-	-	-	2 261	-	2 261	5 046
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	683 073	-137 000	-227 417	-186	-	227 417	186	-137 000	546 073

(Source: Supplementary Budget Review 2020, NT, 24 June 2020, page 80)

As per Table B below, during the 2020 Special Adjustment Budget process, the Department was also afforded to reprioritise its activities, in response to Covid-19 pandemic. A Technical correction was performed on Transfers to Households. Furthermore, a budget of R4.2 million was availed to funds DMV Covid-19 pandemic related needs.

Table B: Explanations of budget adjustments

R thousand	Downward revisions	Reallocations	2020/21 Total net change
Operational expenditure: The implementation of new provincial offices, the relocation of the head office and associated procurement of ICT infrastructure have been suspended due to restrictions on economic activity	-72 074	25 074	-47 000
Transfer to households: Expected reduction in houses to be built and bursaries required for military veterans and their dependants	-90 000	–	-90 000
Transfer to households: Technical correction to classification of allocation	-202 529	202 529	–
Total	-364 603	227 603	-137 000

(Source: Supplementary Budget Review 2020, NT, 24 June 2020, page 80)

2.3 Targets adjustment in terms of the Covid-19 pandemic

Selected performance indicators and Annual Targets as linked to the Estimates of National Expenditure (ENE)

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Table 11: Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Projections			
			2020/21 (Currently)	Changes through Covid-19 pandemic	2021/22	2022/23
Number of Military Veterans provided with newly built houses per year	Socio-economic Support	Priority 5: Spatial development, human settlements and local government	710	355	710	710
Number of bursaries provided to Military Veterans and their dependants per year		Priority 3: Education, skills and health	7 400	3 500	7 400	7 400
Total number of Military Veterans with access to health care services			19 000	18 500	19 100	19 800
Number of Military Veterans memorial sites facilitated per year	Empowerment and Stakeholder Management	Priority 5 Spatial development, human settlements and local government	3	The indicator is to be discontinued for 2020/21 hence forth because of budget cut		

3. PROGRAMME 2: SOCIO-ECONOMIC SUPPORT (SES)

3.1 SES Outcomes, Outputs, Performance Indicators and Targets

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Table 15: SES Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Indicator ID	Output Indicator	MTEF Period			
				2020/21 (currently)	Changes through Covid-19 pandemic	2021/22	2022/23
Socio-economic status of Military Veterans Community improved and sustained	Military Veterans provided with newly built houses per year	PPI 202	Number of Military Veterans provided with newly built houses per year	710	*355	710	710
	Military Veterans approved and provided with compensation benefit	PPI 203	Number of Military Veterans approved and provided with compensation benefit	200	100	100	100
	Military Veterans approved and provided with pension benefit	PPI 204	Number of Military Veterans approved and provided with pension benefit	200	*Target discontinued	350	450
	Military Veterans approved and provided with subsidised public transport	PPI 205	Number of Military Veterans approved and provided with subsidised public transport	600	*Target discontinued	900	1 200
	Bursaries provided to Military Veterans and their dependants per year	PPI 206	Number of bursaries provided to Military Veterans and their dependants per year	7 400	*3 500	7 400	7 400
	Military Veterans with access to health care services	PPI 207	Total number of Military Veterans with access to health care services	19 000	18 500	19 100	19 800
	Military Veterans and dependents provided with access to dedicated counselling services and treatment	PPI 208	Number of Military Veterans and dependents provided with access to dedicated counselling services and treatment	1 000	400	500	600
<p>*PPI 202: The DMV will revise the target from 710 to 355 in order to meet the available budget after the budget cuts. However, PDHS have committed to proceed with their set targets for Military Veterans for the financial year, which will be above the DMV revised target. The DMV and DHS will then negotiate the re-payment of the funds to be paid to PDHS over the MTEF.</p>							
<p>*PPI 204 and PPI 205: Due to the budget cuts, focus will be on finalizing the enablers, such as policies, regulations and SOPs, for the implementation of the benefits.</p>							
<p>*PPI 206: Due to COVID-19 pandemic and budget reduction, the target is not achievable as the Department will not be able to take new applicants under the current conditions of extension of the academic year into early/ mid 202. Thus rendering the applicants unable to have access to final 2020 results and reporting is done at end of March 2021 which covers all approved beneficiaries overlapping two academic years in one financial year calendar. Most potential applicants are also applying directly at NSFAS to take advantage of the free education dispensation also reducing the DMV cohort. In the current COVID-19 pandemic situation, there is limited capacity in the Unit which is additional strain on an already constraint environment of human and system support to handle an influx of manual documents. It is not possible to have a new intake and as such this will greatly affect the 2020/21 target of 7 400. The reduction to 3 500 is reasonable as the unit currently has 2396 beneficiaries expected to continue into 2021 and 1 132 applications still pending to be finalised before March 2021. This would suffice to meet the 3 500 revision when it is reported during the March 2021 financial year.</p>							

3.2 SES Outputs Indicators, Annual and Quarterly Targets

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Table 16: SES Outputs Indicators, Annual and Quarterly Targets

Indicator ID	Output Indicators	Annual Target (revised as per Covid-19 pandemic purposes)	Q1	Q2	Q3	Q4
*PPI: 202	Number of Military Veterans provided with newly built houses per year	355	-	-	-	355
*PPI: 203	Number of Military Veterans approved and provided with compensation benefit	100	-	-	-	100
PPI: 204	Number of Military Veterans approved and provided with pension benefit	Target discontinued	-	Finalizing the enabler: Policy	Finalizing the enabler: Regulations	Finalizing the enabler: SOPs, for the implementation of the benefit
PPI: 205	Number of Military Veterans approved and provided with subsidised public transport	Target discontinued	-	Finalizing the enabler: Policy	Finalizing the enabler: Regulations	Finalizing the enablers SOPs, for the implementation of the benefit
*PPI 206	Number of bursaries provided to Military Veterans and their dependants per year	3 500	-	-	-	3 500
PPI: 207	Total number of Military Veterans with access to health care services	18 500 (500)	18 250 (250)	18 325 (75)	18 400 (75)	18 500 (200)
PPI 208	Number of Military Veterans and dependents provided with access to dedicated counselling services and treatment	400	250	50	50	50

* NB: Targets that are reported on only at the end of the financial year, will be continuously tracked on a monthly basis to ensure that challenges if any are addressed throughout the year so that targets are met.

4. PROGRAMME 3: EMPOWERMENT AND STAKEHOLDER MANAGEMENT (ESM)

4.1 ESM Outcomes, Outputs, Performance Indicators and Targets

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Table 18: ESM Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Indicator ID	Output Indicator	MTEF Period			
				2020/21 (Currently)	Changes through Covid-19 pandemic	2021/22	2022/23
Socio-economic status of Military Veterans Community improved and sustained	Military Veterans' memorial sites facilitated per year	PPI 301	Number of Memorial Lectures coordinated for Military Veterans	9	The wording for the indicator has been changed from "activities" to "coordinated" because of the focus of DMV.	10	12
Socio-economic status of Military Veterans Community improved and sustained	Military Veterans' memorial sites facilitated per year	PPI 306	Number of Military Veterans memorial sites facilitated per year	3	The wording has been changed from "erected" to "facilitated" because of the dependency of DMV on other state organs to deliver on this target. The indicator is to be discontinued for 2020/21 hence forth because of budget cut	3	3

4.2 ESM Outputs Indicators, Annual and Quarterly Targets

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Table 19: ESM Outputs Indicators, Annual and Quarterly Targets

Indicator ID	Output Indicators	Annual Target (revised as per Covid-19 pandemic purposes)	Q1	Q2	Q3	Q4
PPI: 306	Number of Military Veterans memorial sites facilitated per year	3	The indicator is to be discontinued for 2020/21 hence forth because of budget cut			

4.3 Infrastructure Projects

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Table 24: Infrastructure Projects

No.	Project name	Programme	Project Description	Outputs	Project starts date	Project completion date	Total Estimated cost	Current year expenditure	Funded/ Not Fully Funded or Partially
4	Memorial Sites	ESM	Honour Military Veterans in life and memorialize them in death.	12 memorial Sites facilitated	2020				The project is to be discontinued hence forth because of budget cut